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Journal - Office of Legislative Counsel
Tuesday - 20 November 1973

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11. (Confidential - LLM) Met with Bill Jones, Government Activities Subcommittee, House Committee on Government Operations, on Chairman Jack Brooks' (D., Texas) 7 November 1973 letter to Administrator, General Services Administration, concerning the disposal of Air America and Southern Air Transport. Jones said the letter was written because: (a) CAB had not responded to Brooks' request for information on the status of the SAT case; and (b) Brooks wanted to be plugged in in writing on the planned disposal of Air America in view of his Committee's jurisdiction over several of the matters involved. I asked Jones to identify any particular problems bothering Brooks and was told that while Brooks was satisfied on the flow through of money from the disposal as I had indicated to Jones previously, and it was understood that certification was no longer an issue, Brooks was interested in knowing (1) whether the SAT intervenors were now satisfied and (2) the general legal authority for the disposal. I explained that I thought that the intervenors had been satisfied on the certification issue and that we normally conform to the Federal Property and Administrative Services Act [redacted]

[redacted] It was agreed that I would confirm my understandings to Jones at which time it would be determined whether a meeting with Brooks would be helpful. Jones said Brooks relied upon him in these matters and I said we would appreciate it if Jones would assure Brooks of our interest in resolving any problem.

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12. (Internal Use Only - JGO) Received a call from Mary Swann, Administrative Assistant to Representative F. Edward Hebert (D., La.) who told me a referral from her office had been interviewed today by [redacted] Personnel, who had advised the individual, whose wife is Mexican, he is not eligible for staff employment. In brief, I reviewed our requirements for citizenship and told her that the moment the individual's wife becomes an American citizen he himself will be fully eligible for staff employment.

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Congress of the United States

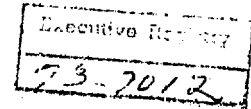
House of Representatives

GOVERNMENT ACTIVITIES SUBCOMMITTEE
OF THE
COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-350-B
WASHINGTON, D.C. 20515

November 7, 1973

JOHN H. BUCHANAN, JR., ALA.
ROBERT P. HANRAHAN, ILL.
STANFORD E. PARRIS, VA.
ANDREW J. HINSHAW, CALIF.

225-3252



The Honorable Arthur F. Sampson
Administrator
General Services Administration
Washington, D. C. 20405

Dear Mr. Administrator:

It has come to my attention that two operating airlines, Air America and Southern Air Transport, are in the process of being sold. Negotiations for the sale of Southern Air Transport have been under way for several months and a proposal is presently under consideration by the CAB. More recently, it has been reported that Air America and its subsidiary, Air Asia, are being offered for sale by the Pacific Corporation, the parent company.

Both of these airlines are alleged to be owned in whole or in part by the U. S. Government. As you know, the disposal of Government property is supposed to be in accordance with provisions of the Federal Property and Administrative Services Act, including a report to the Government Operations Committees of the House and Senate in appropriate circumstances.

I would appreciate being advised as to plans for the disposal of the above properties, particularly as to whether or not they will be in compliance with the Federal Property Act. Also, is there any possible violation of law involved in disposing of a certificated air carrier that may have been funded in whole or in part by the U. S. Government?

Sincerely,

Jack Brooks
Chairman

cc: ✓ The Honorable William E. Colby, Director
Central Intelligence Agency

The Honorable Robert D. Tamm, Chairman
Civil Aeronautics Board